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NEWS RELEASE

September 1, 2006

Stockbroker Will Pay \$100,000 Fine

Broker borrowed money from a customer, sold improper securities . . .

SALT LAKE CITY, Utah – In an Order entered today, Karon C. Cook, of Bountiful, agreed to pay \$100,000 in fines to the Utah Division of Securities and be barred from ever being licensed again in the securities business.

The Order, entered with the consent of Cook, alleges that while Cook was a securities agent with Raymond James Financial Services (RJFS) she brokered loans for clients, borrowed money from a client, held herself out as an investment adviser when she was not licensed, and served as a trustee for client accounts – all without disclosing those activities to the firm or obtaining prior approval. Cook also filed false documents with the Division.

Cook persuaded one of her RJFS clients to make five loans to other customers of Cook. She falsely stated that these loans all were secured by real estate. Some of these transactions were run through other entities controlled by Cook: Financial Resource Group and Cook & Associates. In at least one instance, Cook herself borrowed money from a client. She also improperly took control of some aspects of a trust account of a client, taking compensation from the trust, paying expenses from the trust, and sending money from the trust to a brokerage account at a different broker-dealer. On compliance forms sent to RJFS, Cook denied engaging in outside business activities or selling promissory notes. In fact, Cook was involved in at least eight outside business ventures.

Cook's licensing records falsely stated she had not declared bankruptcy, omitting to disclose a 1991 bankruptcy. She also distributed business cards falsely claiming to be a registered investment adviser and financial planner.

In the Order entered by the Division, Cook admitted violating the law. She is barred from ever being licensed in the securities business in the future and will pay \$100,000 in fines. This Order was reviewed and approved by members of the Securities Advisory Board.

A separate disciplinary action is pending against Raymond James Financial Services for failing to conduct adequate supervision over Cook's conduct.